

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: September 23, 2005]²

Bill No. and sponsor: H.R. 2287 (Ms. Harman)

Proponent name, location: Mattel, Inc.; El Segundo, CA

Other bills on product (109th Congress only): S. 1073

Nature of bill: Extension of temporary duty suspension through Dec. 31, 2008.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

See heading 9902.01.80; no changes in the existing article description are proposed.

Check one: Same as that in bill as introduced
 Different from that in bill as introduced (see Technical comments section)

Product information, including uses/applications and source(s) of imports:

A hand-operated stereoscope for three-dimensional viewing of colored photographic transparencies consists of a plastic case incorporating two fixed lenses and a lever-operated revolving mechanism to change pictures which are mounted in sets on interchangeable removable discs. A binocular version of the viewer enables the user to convert the viewer to binoculars by turning a knob. The product is designed for use by children for amusement or for learning experiences. The stereoscopes are imported from Mexico and China.

¹ Industry analyst preparing report: Christopher Johnson (202-205-3488); Tariff Affairs contact: Jan Summers (202-205-2605).

² An electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading: 9013.80.90					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	4.5%	4.5%	4.5%	4.5%	4.5%
Estimated value <i>dutiable</i> imports ^{1/}	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000
Customs revenue loss ^{1/}	\$63,000	\$63,000	\$63,000	\$63,000	\$63,000

^{1/} The customs revenue loss data shown for 2005-2006 reflect the existing temporary duty suspension in effect through Dec. 31, 2006.

Source of estimated dutiable import data: Industry estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
St. Maxens & Company (for Mattel Inc.) Tom St. Maxens, 202-966-9000	7/2/2005 8/3/2005	No	Yes	No
Bushnell Laura Olinger, 913-752-6105	7/26/2005	No	Yes	No
Hasbro Inc. Susan Albatal, 401-431-8465	7/22/2005 7/27/2005 8/4/2005	No	Yes	No
Logical Toys Mark Heyman, 649-414-4105	8/3/2005	No	Yes	No
Playthings Magazine Maria Weiscott, mweiskott@reedbusiness.com)	7/22/2005	No	Yes	No
Toy Industry Association (Gary Klein, tel. 202-207-3600)	7/22/2005	No	Yes	No

Technical comments:³ None.

³ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

Mattel, August 4, 2005 (proponent)

-----Original Message-----

From: Tom St.Maxens [mailto:tst.maxens@st.maxens.com]
Sent: Thursday, August 04, 2005 11:24 AM
To: Johnson, Christopher
Subject: RE: Requested Information on Toy Duty Suspension Bill

Chris, thank you for your questions and reminding us of that background concerning the trade value and revenue loss estimates. We have no objection to your using that portion of the information in your public report.

Regards,
Tom
Thomas F. St.Maxens
St.Maxens & Company
1200 17th Street, NW, Suite 500
Washington, DC 20036
Tel. 202.966.9000

-----Original Message-----

From: Tom St.Maxens [mailto:tst.maxens@st.maxens.com]
Sent: Tuesday, August 02, 2005 1:46 PM
To: Johnson, Christopher
Subject: Requested Information on Toy Duty Suspension Bill

Dear Chris,

On behalf of Mattel, Inc., headquartered in El Segundo, California, we are pleased to provide the following information in response to the questions you raised recently in connection with pending duty suspension bills.

Mattel strongly supports H.R. 2287 and its Senate companion, S. 1083, which would extend the existing duty suspension on a certain type of optical product for children, namely the ViewMaster-type viewers manufactured and imported by Mattel. Given the narrowness of the product description, we believe that Mattel's ViewMaster viewers are likely to be the only product entering under this provision.

There is no U.S. production of such articles. Mattel imports the products from China and Mexico. The company estimates the value of annual U.S. imports of such articles in both 2007 and 2008 to be \$3.0 million, with an annual duty impact of \$63,000 (note that this duty impact figure is less than the \$135,000 derived by multiplying the 4.5% MFN duty times \$3.0 million because a portion of the imports are expected to be from Mexico and will enter duty-free under the NAFTA).

Please do not hesitate to contact us if you have any further questions.

Tom
Thomas F. St.Maxens
St.Maxens & Company

Bushnell Performance Optics, July 26, 2005

-----Original Message-----

From: Laura Olinger [mailto:lolinger@bushnell.com]
Sent: Tuesday, July 26, 2005 5:07 PM
To: Johnson, Christopher
Cc: Leah Merritt
Subject: RE: Congressional Proposal for Extension of Customs Duty Suspension
for an Optical Instrument

Funny you should ask:

To my knowledge there is no competitive product to the ViewMaster. I feel confident in saying this because a year ago I researched this product trying to find a manufacturer in the US, due to time constraints, and was unable to do so. (I wanted to purchase some to use as an attention getter for a mailing I wanted to do.)

I was not able to find anyone that could provide the ViewMaster, all of the vendors were ordering it from overseas, Mattel. Please let me know if I can be of further assistance. Laura

Laura Olinger
Public Relations
Bushnell Performance Optics
(913) 752-6105
Fax: (913) 752-3489
lolinger@bushnell.com

"Magnify Life"

Hasbro, Inc., August 4, 2005

-----Original Message-----

From: Albatal, Susan [mailto:salbatal@hasbro.com]

Sent: Thursday, August 04, 2005 10:19 AM

To: Johnson, Christopher

Subject: RE: Proposed tariff legislation related to Mattel's ViewMaster

Hi Christopher,

We do support the legislation. We do not have a competitive toy to the View Master nor any toys similar to this one.

Please let me know if you have any other issues that you need support on.

Best regards,
Susan

Susan E. Albatal
Hasbro, Inc.
Sr. Import Manager
Licensed Customs Broker
PH: 401-431-8465
FX: 401-431-8830

Logical Toys, August 3, 2005

-----Original Message-----

From: Mark Heyman [mailto:mheyman@ihug.co.nz]
Sent: Wednesday, August 03, 2005 5:33 PM
To: Johnson, Christopher
Subject: Mattel Viewmaster

Dear Christopher,

Thank you for your email on above. Our company does not import\export to the USA, but I have forwarded a note to the manufacturers of a related technology which we import into New Zealand and export to Australia. This product is sold throughout the world under the Citiwell brand and also the National Geographic brand and certainly is sold in the USA.

Citiwell Industrial based in Hong Kong are the manufacturers and should be in touch with you shortly to express any concerns they may have.

Kind regards

Mark Heyman
Logical Toys

Logical Toys Limited

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Toll Free: 0508 LOGICAL (5644225)

Ph: +64 9 414 4105; Fax: +64 9 414 4106

Mobiles: +64 0274 404 513 or +64 021 576 320

Postal: P.O. Box 301126, Albany, New Zealand

Playthings Magazine, July 27, 2005

-----Original Message-----

From: Weiskott, Maria (RBI-US) [mailto:mweiskott@reedbusiness.com]
Sent: Wednesday, July 27, 2005 3:30 PM
To: Johnson, Christopher
Subject: RE: Tariff legislation related to Mattel's ViewMaster.

Hello Chris,
Just returned from some extended travel -- received your message.
We do not know of other toy products like Mattel's View Master.
Don't hesitate to contact us for any more information.
Regards,
Maria

Maria Weiskott
Editor in Chief
Playthings magazine
"Publishing since 1903"
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New York, NY 10010

www.playthings.com for all the latest news
Playthings Extra for weekly news updates

Toy Industry Association, August 20, 2005

-----Original Message-----

From: Klein, Gary S. [mailto:gklein@toy-tia.org]
Sent: Tuesday, August 02, 2005 11:29 AM
To: Johnson, Christopher
Subject: FW: Proposed Duty Suspension Legislation, H.R. 2287, Mattel's ViewMaster

Chris--In response to your inquiry re: the TDS on Mattel's Viewmaster, see below. There seems to be only one competitive product and it is made in New Zealand.

Gary Klein, Senior VP, Government, Legal and Regulatory Affairs
Toy Industry Association
1660 L Street, NW, Suite 512
Washington, DC 20036
202-207-3600

From: Cardinale, Diane
Sent: Thursday, July 28, 2005 2:41 PM
To: Klein, Gary S.
Cc: Lawrence, Joan
Subject: FW: Proposed Duty Suspension Legislation, H.R. 2287, Mattel's ViewMaster

Gary: could only find one similar product: National Geographic 3-D Viewer, made by Logical Toys of New Zealand. Don't know if they sell in U.S. retail stores but they are available on National Geographic's online store. Here are links to the product on the company's website and National Geographic's Store:

<http://www.logicaltoys.com/Brands/default.asp?BrandID=National%20Geographic>

<http://shop.nationalgeographic.com/shopping/product/detailmain.jsp?itemID=1802&itemType=PRODUCT&RS=1&keyword=view&KickerID=804&KICKER>

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109TH CONGRESS
1ST SESSION

H. R. 2287

To extend the temporary suspension of duty on certain children's products.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2005

Ms. HARMAN introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on certain
children's products.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CERTAIN CHILDREN'S PRODUCTS.**

4 (a) IN GENERAL.—Heading 9902.01.80 of the Har-
5 monized Tariff Schedule of the United States is amended
6 by striking “12/31/2006” and inserting “12/31/2008”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 subsection (a) applies to goods entered, or withdrawn from
9 warehouse for consumption, on or after the 15th day after
10 the date of enactment of this Act.